## PENDING CLAIMS

- 1. (currently amended) A <u>card processing system comprising:</u> a data processing station; and
- <u>a</u> portable card <del>adapted to be used in a card processing</del> system having a data processing station comprising including:
  - a protective housing; and
- a data storage device <u>movably coupled to the protective</u>

  <u>housing for interacting adapted to interact</u> with the data

  processing station when the portable card <u>carrier</u> and the data

  processing station are moved relative to each other, said data

  storage device including:
  - a substrate having a generally rectangular shape;
  - a hard disk drive recording medium including at least one layer of high density, high coercivity magnetic material including a plurality of magnetic domains for storing magnetic signals, said plurality of magnetic domains having an areal density of between 2 megabits per sq. in. to about 10 gigabits per sq. in. and having a storage capability of more than 500 megabytes; and
  - a relatively hard, abradeable protective coating formed on said magnetic material layer and being selected to have a thickness between a maximum thickness which would materially attenuate magnetic signals passing between said magnetic material layer and a transducer and a minimum thickness enabling said protective coating to be abraded by usage in an ambient natural atmosphere operating environment for removing therefrom a known quantity of the protective coating,

wherein the protective coating has at least one layer which includes a magnetically permeable, magnetically saturable material, and

- a wherein the protective housing having has at least one housing section that is movable relative to the data storage device such that said data storage device is shielded by said at least one housing section when said at least one housing section is in a first position, and said data storage device is operably exposed for interaction with the data processing station when said at least one housing section is in a second position.
  - 2. (canceled)
  - 3. (canceled)
- 4. (currently amended) The portable card system of claim 1 wherein said substrate includes one side which is longer than the other side.
- 5. (currently amended) The portable card system of claim 4 wherein said stored magnetic signals are stored in arcuate shaped track extending between two opposed sides of said rectangular shape.
- 6. (currently amended) The portable card system of claim 4 having two longer sides wherein said stored magnetic signals are stored in arcuate shaped track extending between said two longer sides of said rectangular shape.
- 7. (currently amended) The portable card system of claim 4 having two longer sides wherein said stored magnetic signals are stored in arcuate shaped track extending between said two shorter sides of said rectangular shape.

- 8. (currently amended) The portable card system of claim 4 having two longer sides wherein said stored magnetic signals are stored in circular shaped tracks located between said two longer sides of said rectangular shape.
- 9. (currently amended) The portable card system of claim 8 wherein said stored magnetic signals are stored in circular shaped tracks located centrally between said two longer sides of said rectangular shape.
- 10. (currently amended) A card processing system comprising

  a portable card adapted to be used in and a card processing

  system having a data processing station, wherein the portable

  card comprises: comprising:
  - a protective housing; and
- a data storage device <u>movably coupled to the protective</u>

  <u>housing for interacting adapted to interact</u> with the data

  processing station when the portable card and the data processing station are moved relative to each other, said data storage device including:
  - a substrate having a generally rectangular shape and a pair of longer sides which are longer than a pair of shorter sides shape;
  - a hard disk drive storage medium including at least one layer of high density, high coercivity magnetic material including a plurality of magnetic domains for storing magnetic signals, said magnetic material having an areal density of about 10 gigabits per sq. in and having a storage capability in the range of 1 megabyte and 500 megabytes; and
  - a diamond-like hardness, abradeable protective coating formed on said magnetic material layer and being selected

to have a thickness between a maximum thickness which would materially attenuate magnetic signals passing between said magnetic material layer and a transducer and a minimum thickness enabling said protective coating to be abraded by usage in an ambient natural atmosphere operating environment for removing therefrom a known quantity of the protective coating,

wherein protective coating has at least one layer which includes a magnetically permeable, magnetically saturable material, + and

wherein the a protective housing having has at least one housing section that is movable relative to the data storage device such that data storage device is shielded by said at least one housing section when said at least one housing section is in a first position, and said data storage device is operably exposed for interaction with the data processing station when said at least one housing section is in a second position.

- 11. (canceled)
- 12. (canceled)
- 13. (canceled)
- 14. (canceled)
- 15. (canceled)
- 16. (currently amended) The portable card system of claim
  10 wherein said stored magnetic signals are stored in at least
  one circular shaped track located between pair of longer sides.
- 17. (currently amended) The portable card system of claim 16 wherein said stored magnetic signals are stored in at least one circular shaped track located centrally between pair of longer sides of said rectangular shape.

## 18. (canceled)

19. (currently amended) The portable card system of claim 10 wherein said at least one magnetic material layer is a thin film layer of high density, high coercivity magnetic material having a predetermined magnetic field orientation for storing data.

## 20. (canceled)

- 21. (currently amended) The portable card system of claim 10 wherein protective coating has at least two layers wherein one of said layers includes a magnetically permeable, magnetically saturable material and the other of said layers is a non-magnetic friction reducing layer formed on said one of said layers.
- 22. (currently amended) The portable card system of claim 10 wherein said protective has an outer surface that is cleanable.
- 23. (currently amended) The portable card system of claim 10 wherein said substrate has two surfaces and said protective coating is applied to at least one of said two surfaces.
- 24. (currently amended) The portable card system of claim 10 wherein said substrate has two surfaces and said protective coating is applied to at least one of said two surfaces and wherein said data storage device is located on the other of said two surfaces and said protective coating is applied to at least said data storage device.

- 25. (currently amended) The portable card system of claim 10 having an obverse side and a converse side and wherein said substrate has two surfaces and wherein said data storage device is located on one of said two surfaces and said protective coating is applied to each of said obverse side and converse side.
- 26. (currently amended) The <del>portable card</del> <u>system</u> of claim 10 wherein said protective coating has an outer surface and further comprises

a bonded lubricant layer formed on said outer surface and having a thickness which is less that the thickness of said protective coating.

- 27. (previously presented) The portable card of claim 10 wherein said protective coating is adapted to interface with and be responsive to a data processing station when said substrate and data processing station are moved relative to each other to position said substrate proximate said data processing station to enable data flow therebetween.
- 28. (currently amended) The portable card system of claim 10 wherein said substrate is moved relative to said data processing station.
- 29. (currently amended) The portable card system of claim 10 wherein said data processing station is moved relative to said substrate.

- 30. (currently amended) The portable card system of claim 10 wherein said data processing station and said substrate are moved relative to each other.
  - 31. (canceled)
  - 32. (canceled)
  - 33. (canceled)
  - 34. (canceled)
  - 35. (canceled)
  - 36. (canceled)
  - 37. (canceled)
  - 38. (canceled)
  - 39. (canceled)
  - 40. (canceled)
  - 41. (canceled)
  - 42. (canceled)
  - 43. (canceled)
  - 44. (canceled)
  - 45. (canceled)
  - 46. (canceled)
- 47. (currently amended) The portable card system of claim 19 wherein said at least one thin film layer of high density, high coercivity magnetic material is a sputtered layer.
- 48. (currently amended) The portable card system of claim 19 wherein said at least one thin film layer of high density, high coercivity magnetic material is a plated layer.
- 49. (currently amended) The portable card system of claim 19 wherein said at least one thin film layer of high density, high coercivity magnetic material is an oxide layer.

50. (currently amended) The portable card system of claim 19 wherein said at least one thin film layer of high density, high coercivity magnetic material is a web coated layer.

51-80. (canceled)